

Rim Trail Domestic Water
Improvement District

240 E. Box Elder Lane Payson, AZ 85541 (928) 472-7585

Board Members

Chairperson: Dave McKibben
Secretary: Gary Richardson
Treasurer: Ray Tanner, Jr

Management

Operator: a Quality Water Co.

DRAFT UNTIL APPROVED AT THE NEXT BOARD MEETING

Minutes of the Rim Trail Domestic Water Improvement District Board Meeting held at Whispering Pines Fire Station on Saturday, December 13, 2014 at 1:00 pm as well as telephonic conference at (712) 432-5610, access code 1214.

1. Call to order: The meeting was called to order at 1:04pm by Chairman Dave McKibben.
2. Roll Call and Determination of a Quorum of Board Members Present: A quorum was present with Chairman McKibben and Treasurer Ray Tanner in attendance. Secretary Gary Richardson arrived at 1:10 pm. Also in attendance were Crissy Menghini, Beth McElhiney, and Don Ascoli. Two people attended via teleconference line, Harry Jones and Chuck Pfeiffer.
3. Approval of minutes of prior meeting: The minutes of the prior Board meeting of July 26, 2014 were presented and approved.
- 4(1). Treasurer's Report: The financial report was presented by Treasurer Ray Tanner. Net income YTD \$5,844, \$25,000 under budget, and we have \$81,000 in the bank. Significant issues going forward:
 - a. Water rights - SRP maintains that we do not have a valid claim and don't own any historically irrigated acres. Until this is resolved there is little point in investing more in the treatment plant.
 - b. Recent tank inspection shows there is some need to recoat the tanks. Further evaluation will occur and a decision as to whether the entire process needs to be completed at once or whether it might be spread out over some time. Total cost to recoat all three tanks inside & out is in the area of \$60,000 to \$65,000.
- 4(2). Clerk/Secretary's report: None.
- 4(3). Chairman's Report: The two Board members, Ray & Gary, were re-elected to four year terms. Harry Jones has resigned as District Manager ... we thank him for his many years of service as Board member and District Manager. The District faces several issues , specifically our dealings with Salt River Project and the engagement of a new District Manager.
- 5 A. District Manager's position: Don Ascoli presented his credentials and background, and applied for the vacant position. Don has a degree in Electrical Engineering, and an MBA with a minor in Finance, and a Class I water operator's license. He asked for a retainer of \$1,250.00 per month, on a six month contract. At the end of six months, each party will review the work required and negotiate a longer contract. Chairman McKibben moved and Gary Richardson seconded the motion to hire Don Ascoli for six months with a review at the conclusion. The motion passed unanimously. Ray Tanner moved and Gary Richardson seconded a motion to ask Don Ascoli to provide bookkeeping services for the District, in addition to the technical services. The motion passed unanimously.
- 5 B. Person(s) or sub-committee to pursue SRP water rights issue and use of an attorney if needed. Members appointed were Ray Tanner, Don Ascoli, Crissy Menghini, Beth McElhiney, and Bruce Johnson. Chairman McKibben

moved and Treasurer Ray Tanner seconded a motion to establish this subcommittee as listed. The motion passed unanimously.

- 5 C. Billing of customer leak repair issue. The customer, Chris Menghini, called Chairman McKibben in July to state he thought the bill for the repairs was too high. He came to the July meeting and was asked to send a letter stating his reasoning and the facts as he saw them. The letter was not received until earlier this week. Chairman McKibben read the letter into the minutes: *To Rim Trail board members: This letter is in regard to damages to the water line on my property at 136 Orchard Lane. I apologize for the delay in getting this matter resolved but have had difficulty getting a survey of the property done. I did, however have Steve from Northstar Surveying out and determined that the easement for the water line was five feet from the road. The line was damaged over thirty feet inside the property line from the road. I don't feel this is my responsibility as the water line runs well outside of the easement. I have other reservations about how this situation was handled but don't feel it is necessary at this time to go into those. Please feel free to contact me on my cell phone at 602-402-8408, or by email at cmenghini4@gmail.com. Thank you for your patience in this matter. Sincerely, (signed C J Menghini) Chris Menghini.*

The bill to Mr. Menghini is \$3,424.28. Don Ascoli asked if there is a blue stake policy in place. Treasurer Ray Tanner answered that there is not a policy per se, it is just common sense to request a blue stake report. He stated that the District Manager requested the customer request a blue stake evaluation report, but the customer started digging before the service was performed. Don Ascoli asked if the damage was on the customer's side, or the District's side. Treasurer Ray Tanner answered that it was on the District's side. Crissy Menghini, sister-in-law of Chris, asked if the map of the water line is correct. She also asked if the line was not where it should have been because it went around a boulder. Treasurer Ray Tanner answered that maps are approximate in accuracy. Also it is difficult to establish precisely where the easements are. He stated Chris should have waited for the blue stake service. Chris needs to become more involved in resolving this, than just sending a one-paragraph letter to the Board. Don Ascoli stated that Chris took a risk in digging before the blue stake report was done. Secretary Gary Richardson asked for Harry's input on this issue and Harry declined to contribute. Treasurer Ray Tanner moved and Chairman Dave McKibben seconded a motion to table the discussion. The motion passed unanimously.

- 5 D. Future communication method(s) with customers. Chairman McKibben has contacted Constant Contact to ask about providing communication services with our customers. He asked if all our customers have email. Treasurer Ray Tanner said no, about 10 to 15 customers do not. The cost per month for Constant Contact would be about \$15 or \$16 per month. A concern was mentioned about hackers being able to enroll, and Chairman McKibben said that would not be a problem. Secretary Gary Richardson moved and Treasurer Ray Tanner seconded a motion to engage Constant Contact. The motion passed unanimously.
- 5 E. Follow-up person re Payson pipeline. Don Ascoli volunteered to be the contact person for this. The Board agreed.
- 5 F. Recoating or repair of water tanks. Treasurer Ray Tanner indicated the tank report says there is some work to do on the tanks, but not on an emergency basis. Don Ascoli will examine the DVDs and confer with the Board on what work needs to be done first. Chairman McKibben stated we will take no actions immediately, but we will wait for Don's recommendations.
6. Call to the public. Don Ascoli stated he will store the records of the District if we will purchase fire-proof cabinets. There are approximately 25 boxes of District records. An inventory should be done to determine which records are necessary to be saved, and discard the rest. Crissy Menghini asked what are the goals of the subcommittee on water rights. Chairman McKibben stated he would send out a directive to members of the subcommittee soon. Chuck Pfeiffer asked if the District could send out quarterly bills. He was told that

we send out monthly bills, but a person can pay any amount over the monthly amount. Don Ascoli asked if we accept electronic payments. Treasurer Ray Tanner answered, no.

7. Call to Staff and Board Members for non-agenda updates and recommended topics for future meetings. Don Ascoli asked if we announce the date of the next meeting today? Chairman McKibben answered, no. But we do meet at least quarterly.
8. Adjournment. The meeting was adjourned by Chairman McKibben at 3:34 pm.